



CALPEEK

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CAMPAIGN '98: CA INSURANCE COMMISSIONER QUACKENBUSH SEEKS SECOND TERM NEXT YEAR.

Editor's note: 43-year-old GOP Insurance Comm.

Chuck Quackenbush has already said he'll seek a 2nd term in 1998. Here's our first update on this race...

...Most sources agree the job of CA Insurance Commissioner is the *3rd most visible* in State government and it certainly has the potential to compete strongly with the AG. The State's first IC, John Garamendi(D), tried to use his post in an attempt to move up the ladder, only to be blocked in '94 by Demo Treas. Kathleen Brown, who won the Demo gubernatorial primary. Still, the IC job can provide the officeholder with lots of news media exposure if that person is politically ambitious...

...Enter GOP Assemblyman Quackenbush in '94, a moderate from the Silicon Valley with political ambitions. He defeated then-State Sen. Art Torres(D) by a 48.8% vs. 43.4% margin, even though Torres kept yelling about all the insurance money that was rolling into Quackenbush's campaign. That didn't seem to matter in '94. Torres just didn't have the resources and probably carried too much baggage (the DUI stuff). As it turned out, Quackenbush raised about \$2.4 million, of which 70% came from the insurance industry itself. That figure didn't surface until after the election and it's a fact that creeps into many profile-type stories written about Quackenbush, including this one. It's a significant fact and one that will stay with the IC in '98...

...In '96, Quackenbush raised several million to fund the successful Prop. 213, an initiative to ban uninsured drivers from suing for non-economic damages in auto accidents, if the insured was at fault. What does all this prove? Quackenbush is a good fundraiser --- as long as the insurance industry can contribute...

...Enter State Sen. Quentin Kopp(I-SF), who has intro-

duced SB 1097. If approved and signed into law, this bill would ban the insurance industry, its executives and agents from contributing to the IC or candidates for IC. The bill is beginning to pick up editorial support from some of the key newspapers around the State. If Kopp weren't eyeing the AG's job, some would like him to consider a run against Quackenbush in '98...

...Is Quackenbush vulnerable? That recent story with the headline saying *State Audit Faults CA Insurance Dept.* wasn't the kind of publicity you like and the folks from the Prop. 103 Enforcement Project think Quackenbush can be beaten in '98, but so far only two Demo names have hit the rumor mill as potential rivals to Quackenbush: former Contra Costa Co. Sup. Jeff Smith (who ran for state senate in '96 and narrowly lost) and State Sen. Pat Johnston of Stockton. Stay tuned...

L.A. CITY ELECTION: CHARTER REFORM BATTLE.

Editor's note: The effort by L.A. Mayor Richard Riordan to win approval of his initiative to form an elected citizens' commission to revise L.A. City's 72-year-old charter is headed for victory, despite massive apathy by voters who seem more interested in March Madness and the upcoming Oscars than they do in this April 8th election. Here is our update & analysis...

...The last serious attempt to reform the charter was in 1969 when Sam Yorty was mayor. Critics say the old charter, with all its amendments and revisions, is as thick as two big phone books. And the language is outdated and there's a feeling by reformers that L.A. City government is just too unresponsive. Those who oppose charter reform (a majority of the council and organized labor) say the system isn't broke and doesn't need fixing and that charter reform is nothing more than a power-grab by Mayor Riordan, whose relationship with the council is *strained* (that's a kind description)...

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...Nevertheless, the polling data shows that Measure 8 is way ahead: 64% support vs. 14% oppose. No tv is planned for the YES on 8 campaign, but look for heavy mail & slate cards. There is NO well-funded opposition campaign to #8. Instead, labor and the council are trying to elect 15 commissioners (from each of the council districts) who are sympathetic to their point of view. In at least 9 of the 15 races, the interests of labor & the council are the same. Riordan has his own slate of candidates too...

...***The front-runners.*** We've spotted only two(2) slam dunks so far: Community College Trustee Gloria Romero (1st CD) - with no opposition; and Marcos Casteneda (7th CD) who is supported by Riordan, labor and the council...

...***Full Employment for Campaign Consultants.*** With 52 candidates and at least 3 major slates, it's full employment time for consultants who are running these campaigns. Steve Afriat has at least 9 of the Riordan-backed candidates, while Rick Taylor is running an IE (indep. expenditure) campaign on behalf of the Riordan slate. Parke Skelton is also doing an IE on behalf of some labor unions for some of the candidates, plus one regular campaign. Siegel & Nicholl have two candidates and Susan Burnside has one...

...With the exception of former Assemblymembers Paula Boland and Marguerite Archie-Hudson, Ann Finn (widow of the late councilman Howard Finn) and perhaps one or two others, most of these 52 candidates are **unknown** to voters --- but are well known by political insiders and city hall watchers...

...***The big battles:*** 4th CD - former UTLA leader Helen Bernstein vs. Charley Mims (Council Pres. John Ferraro's prestige is on the line with Mims); 13th CD - gay/lesbian leader Lorrie Jean vs. Bennett Kayser; and 15th CD - Jerry Gaines (supported by Riordan and Councilman Rudy Svorinich) vs. Janice Hahn (as in City Atty. Jim Hahn's sister). Stay tuned...

22nd ANNUAL CORO PUBLIC AFFAIRS DINNER SET. Coro Southern Calif. will present Crystal Eagle awards to former RLA leader Linda Griego, UCLA Chancellor Charles Young, Great Western Financial Corp. and to WattsHealth Systems, Inc. at its 22nd annual awards dinner, 5:30 p.m. May 8, Biltmore Hotel, downtown L.A. For info ☎(213)623-1234...

PART 9: KOPP OPPOSES 49er STADIUM BOND PLAN.

Editor's note: This week in Part IX of our continuing series on ***public funding of sports facilities***, we'll analyze the political fallout from State Sen. Quentin Kopp's decision to oppose Measures D & E on the June 3rd ballot...

...Kopp's decision to oppose the city's plan to pump in \$100 million in revenue bonds to help the NFL's 49ers pay for a new \$536 million stadium and large shopping mall project in the Hunter's Point area of S.F. wasn't a shock. The SF news media has been hinting about this for weeks --- and playing up the split of Kopp from his longtime political advisor, consultant Jack Davis, who is running the YES on D & E campaign for the 49ers. Still, as one **Calpeek** source noted, it would have been a major coup had Kopp either come out in favor of the plan or at least remained neutral...

...But Kopp has a long standing reputation as a fiscal conservative, so his decision on Mar. 17th was in keeping with this overall political views. He did say, however, that if the city's general fund were held harmless, he could support the plan...

...A key sticking point (really more of an unknown factor) is how the city will pay off the revenue bonds. Stadium supporters say revenue from the stadium and the shopping mall will do the trick, but opponents are worried that the shopping mall might not be a success, in which case general fund monies would have to be used. One thing in the 49ers favor: their partner in the shopping mall plan is Mills Corporation, the same folk who operate Ontario Mills in San Bernardino Co., and that shopping center/entertainment complex is proving to be very successful...

CALPEEK's LEGAL FILE: TRYING TO MAKE SENSE OF THE ORANGE CO. VOTER FRAUD ALLEGATIONS.

Editor's note: On April 19th, the U.S. House Oversight Committee will visit Orange Co. to hear testimony about allegations of voter fraud in the Nov. 5th election in the 46th C.D, where Loretta Sanchez(D) upset incumbent Bob Dornan(R) by 984 votes. Here's our report & analysis...

...The L.A. Times *owns* this story because they have been on top of it from day one. And while Dornan-haters don't like to admit it, even some of them are

beginning to believe that voter fraud & illegal voting by non-citizens may have played a part in his loss to Sanchez. What Sanchez backers don't buy, however, is that if you add the numbers, there still are not enough illegal votes to cause the House Oversight Cmt. to call for a new election...

...Here's what we now know: 1) At the center of the voter fraud controversy is Santa Ana-based Hermanidad Mexicana Nacional, a Latino rights group which over the years has registered thousands of legal immigrants; 2) According to the latest audit from the Sec. of State's office, of the 1,160 people registered to vote on HMN cards, 721 *apparently* had not completed the INS citizenship process before they registered to vote; 3) Of the 721 who had not completed the process, 442 unlawfully voted on Nov. 5th. Attorneys for HMN deny any wrongdoing...

...What's next? There's going to be an INS computer check --- run against the entire Orange Co. voter file to see if there are more illegal registrations. If the HMN case is an isolated incident, then that's where this probe may end. Nothing like this has ever been done before and because of this, it lends some credibility to Doran's claim. But Chris Sautter, a DCCC attorney and recount specialist, told the LAT the number of unlawful votes discovered in the 46th CD is not unusual for an election this size. *Get real!!!*

...FYI: SOS Bill Jones(R) is getting some excellent PR exposure. So is O.C. DA Mike Capizzi(R), who is running the criminal probe of this case. The key difference between Jones & Capizzi: Jones has *political Alzheimer's disease* - he only remembers the negative stuff about the Demos & voter fraud and has forgotten the 67th AD voter fraud case now underway in O.C. against GOPers arising out of the recall against Doris Allen. Stay tuned...

CASINO MADNESS: CA INDIANS vs. GOVERNMENT.

Editor's note: Have you seen these tv ads dealing with CA Indian casino gaming? Or have you seen or heard the ad with movie star Steven Seagall? It's part of a big bucks public education effort aimed at putting a *very positive spin* on Indian gaming. Here's our update...

...The State of Calif is currently engaged in some very delicate negotiations with the Pala Band of Mission

Indians -- trying to work out a compact on the future of Indian gaming in Calif. Key topic of concern to CA Indian tribes: video gaming (slot machines). As we have noted in previous stories, under U.S. law, the tribes can do whatever the State does, thus CA Indian tribes have been making a mint off of video slots, claiming there's no difference between these games and the video Keno game the State Lottery once operated. But a State court ruled the Keno game was illegal. Now the Feds are telling the CA Indian tribes who operate video slots in their card clubs they must shut down their video slots by May 1st or else...

...If this compact can be worked out, then it may be the model for the other CA Indian tribes which also operate card clubs throughout the State. At stake: *hundreds of millions of dollars* per year...

...Prior to and during the first stages of these talks between Gov. Wilson's COS George Dunn and Pala Indian attorney Howard Dickstein, the CA/NV Indian Gaming Association (C/NIGA) began airing an ad in the Sacto tv market, talking about the positive aspects of Indian casino gaming. The ad was produced by the C/NIGA PR Task Force, with media consultant Richie Ross doing the actual production. The :30-sec. ad ran for 4 weeks in the Capital and then another 2 weeks in the S.F. and L.A. markets. No problem. And apparently there's no problem with the full-page newspaper ad by the Morongo Band of Mission Indians who operate the Casino Morongo in Cabazon --- asking the Feds to back off because thousands of jobs are at stake...

...And then there's the radio & tv ad featuring Seagall. The ad talks about "fairness to the Indians" and how the Indians are again being shafted by the government. Sources say this ad was produced for the San Manuel & Pechonga Indians from San Bernardino Co., who operate card clubs in these areas. Is there anything wrong here? Some sources think the Seagall ad is somewhat counter-productive...

...FYI: If the compact between the Pala Indians and the State is not satisfactory to C/NIGA, odds are pretty good the Indian gaming tribes would either: a) support their own initiative to legalize video slots at Indian casinos; or b) support a another initiative by Palm Springs card club owner Mark Bragg to permit slot machines at his clubs. Stay tuned...

SPRING '97 ELECTIONS: CITY & COUNTY CONTESTS.

Editor's note: Here is Part VIII of Calpeek's continuing coverage of city & county Spring Elections...

☒ ***Santa Clara Co. Bd. of Supes Runoff*** - The winner in this Mar. 18th special to replace Mike Honda is Gilroy Mayor Don Gage. He defeated Rosemary Kamai by a 55.2% vs. 44.8% margin in an election with a 15.4% voter turnout. Kamai just wasn't able to get the Demos out to vote. Gage will face voters again in June of '98...

☒ ***L.A. County Special*** - L.A. Co. voters will face a special election June 3rd --- a critical benefit assessment district for fire protection. This is another one of those **Prop. 218** elections -- the supes had approved this long ago, but now voters need to ratify the action. This assessment district impacts 48 cities which contract with the county for firefighting services as well as unincorporated areas of the county. The district raises about \$51.7 million per year and pays for such things as the Super Scooper airplane which has proved so effective in fighting fires in remote areas. The Kamber Group in L.A. has been hired to do the campaign...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

■ ***Jones Seeks Reelection*** - CA Sec. of State Bill Jones(R-Fresno) has taken himself out of the '98 June open primary for U.S. Senate. Instead, he'll seek a 2nd term as Secretary of State. Smart move by Jones. FYI: U.S. Rep. Sonny Bono(R-Palm Springs) has let it be known that he's now looking at the U.S. Senate race in '98. Go babe...

■ ***Panetta Testing Waters*** - Former White House COS Leon Panetta was in Sacto on Mar. 18th, speaking to the CA Manuf. Assn. and meeting with the Capitol Press Corps --- all part of "testing the waters" for a possible '98 run for governor. And if he did run for governor, the former Demo congressman from Carmel says he might do it *without* raising big bucks for a tv campaign. More on Panetta next week...

■ ***L.A. Mayor's Debate*** - The best analysis of the Mar. 13th Century Cable TV debate between L.A.

Mayor Richard Riordan and State Sen. Tom Hayden came from L.A. Times tv critic Howard Rosenberg. He said in part: *Most newscasters in L.A. are pathetic. So pathetic that the mayoral duel between Riordan and Hayden could earn genuine in-depth coverage on local tv only if it were to occur on a freeway, with squad cars in pursuit.* Had the debate been at 4 p.m.(instead of 11 a.m.), there might have been more coverage of the event. Most insiders say Riordan was the winner: no mistakes and he came away unscratched. After the debate, Riordan endorsed political ally Ted Stein for City Attorney. No real surprise here. Stein's media team taped the mayor's endorsement and Stein is using it in his tv ad campaign --- now on the air...

■ ***Right To Die Poll*** - Should terminally ill patients have the right to refuse treatment to prolong their lives? 83% in the latest Field Poll say YES vs. 13% who say no. And 81% say the next-of-kin should be empowered to have an incurably ill patient's life support systems turned off. 14% disagree. Should terminally ill patients have the right to ask for life-ending medication? 70% say YES vs. 26% who say NO...

■ ***Best Political One-Liner on Cloning*** - Heard on Imus in the Morning: There should be a clone of AG Janet Reno --- so that she could be fired twice for that lame excuse that she couldn't get in touch with the White House re: Chinese political influence peddling. Stay tuned...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● Sacto contract lobbyist Kevin Sloat has a new client: water agency giant MWD. With all the lobbyists already on MWD payroll, why Sloat? Is something up???

● Nicolle Devenish, ex KHSL-TV reporter, has joined Sacto-based Stoorza, Ziegeus Metzger & Hunt as media coordinator...

● Matt Watts, former COS to GOP Assembly Leader Curt Pringle(Orange Co.), has joined the Sacto-based lobbying firm of Advocation, Inc...